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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/825,470	04/02/2001	David Lawrence	3499-107	1341

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EXAMINER

MOONEYHAM, JANICE A

ART UNIT PAPER NUMBER

3629

DATE MAILED: 06/16/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/825,470

Applicant(s)

LAWRENCE, DAVID

Examiner

Jan Mooneyham

Art Unit

3629

W4

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☐ Responsive to communication(s) filed on 29 March 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-26 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- 1) ☐ Certified copies of the priority documents have been received.
  - 2) ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - 3) ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

1. This is response to the communication filed on March 29, 2004, wherein:

Claims 1-26 are currently pending in this application;

Claims 24-26 have been added;

Claims 1, 3-4, 6, 9,10, 16, 20 and 21 have been amended.

#### ***Response to Amendment***

#### ***Claim Rejections - 35 USC § 112***

2. The applicant has amended Claim 21. The rejection under 35 USC 112, second paragraph, as to Claim 21, has been *withdrawn*.

#### ***Claim Rejections - 35 USC § 112***

3. Claims 1- 26 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

The applicant has failed to define the following sufficiently:

Risk quotient criteria, risk quotient, scaled numeric value, scaled alphanumeric value, structured information, risk assessment factors, due diligence, weighted criteria, structuring with a processor the information received according to risk quotient, generating a risk quotient with a computer processor, algorithms.

The above mentioned terms are not defined in either the claims or the specification and the algorithms are inadequately detailed to allow another person to duplicate the invention.

It would require undue experimentation to figure out the applicant's invention. Both the claim language and the specification identify these terms so broadly that one skilled in the art to which the subject matter pertains would not be able to make or use the invention. On page 3 of the specification under the heading SUMMARY, the applicant states that a "rating system is used to assess risks based upon criteria *such as* data descriptive to of parties" The applicant further states that the system generates a risk quotient or other qualitative rating based upon a weighted algorithm applied to the criteria. The applicant has failed to identify the algorithm. Under the DETAILED DESCRIPTION, the applicant again states that the risk quotient can be based upon a weighted algorithm applied to the risk assessment factors. What is the algorithm? Once again on page 7, the applicant states that the ALARM system 115 can apply an algorithm that weights the risk assessment factors and calculates a risk quotient or similar score or rating based upon the weighted risk assessment factors. The applicant goes one to state on page 7 that the risk quotient can include, for example, a scaled numeric or alphanumeric value indicative of a relative amount of risk. How are these values determined? On page 8, the applicant again talks about industry risk quotient analysis that calculates a mathematical function or risk quotients for various entities but fails to provide information which enables one to do this.

The applicant talks about structured information in the claim language. On page 8, the applicant states that the system can create a structured history and once again talks generally about due diligence.

On page 11, the applicant states that an ALARM risk quotient can be calculated by weighting the risk assessment factors according to their relative risk, such as the likelihood of prolonged litigation, etc. What defines risk assessment factors?

On page 12, the applicant states that a risk quotient can be calculated by multiplying a weighted numerical value indicative of how important a risk assessment factor may be in regards to risk times a value assigned according to the information contained in the risk assessment factor to obtain a risk factor value. What is the weighted numerical value? What is the assigned value?

On page 14, the applicant identifies the risk quotient as being typically a scaled numerical score based upon values for weighted criteria. How is the weighted criteria determined?

How is the structuring with a processor the information received according to risk quotient criteria done?

How is the generating a risk quotient with a computer processor operatively performed?

#### ***Claim Rejections - 35 USC § 101***

4. The applicant has amended Claims 1-15 to include technology. The rejection under 35 USC 101 has been *withdrawn*.

#### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Heckman et al. (US 5,875,431) (hereinafter referred to as Heckman) in view of Martin (US 6,330,547) (hereinafter referred to as Martin).

Referring to Claims 1, 16, 20-24:

Martin discloses a computer implemented method, system and software for managing risk related to a legal action (legal strategic analysis planning and evaluation), the method comprising:

gathering data into a computer storage, said data relating to the person's involvement in a legal action based upon said person's status comprising at least one of a party to the litigation, or arbitration, or a prospective party to a litigation or arbitration or an amicus of the court in a pending litigation (Figs. 1-4, also, see col. 8, lines 38-52, col. 10, line 65 thru col. 11, line 17, Fig. 3 (33,36));

receiving information into the computer storage relating to the person's status as at least one of a party to a legal action, a prospective party to a legal action, an amicus of the court in a pending legal action, or any combination (Fig. 1-4, col. 8, lines 38-52, col. 10, line 65, thru col. 11, line 17, Fig. 3 (33,36));

receiving digital information into the computer storage relating to details of at least one legal action (Figs 1-4);

structuring with a processor the information received according to risk quotient criteria (Figs (35, 37, 38), Figs. 4-5 –2 (65), col. 6, lines 50-54, col. 7, lines 4-13) .

Hickman does not disclose

generating a risk quotient with a computer processor operatively attached to the computer storage, the risk quotient:

Art Unit: 3629

a scaled numeric value and a scaled alphanumeric value and based upon the structured information related to a legal action and the gathered data.

However, Martin discloses generating a risk quotient with a computer processor operatively attached to the computer storage, the risk quotient a scaled numeric value and a scaled alphanumeric value and based upon the structured information related to a legal action and the gathered data (col. 3, lines 23-26, col. 4, line 5 thru col. 16, line 64, Claim1, col. 8, lines 8-25, col. 9, lines 15-20))

It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate into the disclosure of Heckman the teachings of Martin to aid in ascertaining and enhancing the creditworthiness of and establishing a value for intellectual property assets used as collateral for loans and to ascertain whether the structural, financial or legal status of an applicant directly or potentially interferes with the use of specific intellectual property as collateral for a loans.

Referring to Claims 2, 5-9 and 15:

Heckman further discloses a method, system and software additionally comprising the step of generating a suggested action responsive to the risk quotient (col. 5, lines 64-67, col. 6, lines 13-17, lines 45-48).

Referring to Claims 3 and 4:

Heckman discloses storing data indicative of the information received, the risk quotient and the suggested action; generating a report comprising the stored data, the report comprising

Art Unit: 3629

information received relating to legal exposure and actions taken responsive to the risk quotient (Fig. 3,4, 5-2 (62)).

Referring to Claims 10-12 and 17:

Heckman discloses wherein the information received comprises the identities of parties to a legal action (col. 8, lines 5-20), and wherein the information received comprises venue for a legal action (col. 8, lines 21-36, col. 16, lines 59-60, col. 15, lines 21-22) and wherein the information received is gathered electronically (col. 12, lines 49-54).

Referring to Claims 13 and 14: Heckman discloses the step of aggregating risk quotients relating to an entity and assessing a level of risk related to legal actions to which the entity is exposed and calculating an average risk quotient associations with an entity (col. 15, lines 54-57, col. 25, lines 10-15)

Referring to Claims 18 and 19: Heckman further discloses wherein the network access device is a personal computer or a wireless handheld device (Fig. 2, col. 19, lines 25-34).



Art Unit: 3629

Referring to Claims 24-26: The names of the parties, such as a governmental entity or an amicus of the court is considered to be non-functional descriptive material. This language adds little, if anything, to the claimed structure or acts and thus does not serve as a limitation on the claims to distinguish over the prior art.

### ***Response to Arguments***

Applicant's arguments with respect to claims 1-23 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

Art Unit: 3629

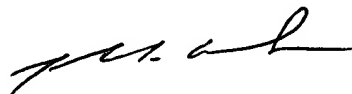
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jan Mooneyham whose telephone number is (703) 305-8554.

The examiner can normally be reached on Monday through Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (703) 308-2702. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

JM



**JOHN G. WEISS**  
**SUPERVISORY PATENT EXAMINER**  
**TECHNOLOGY CENTER 3600**

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

1. Claims 1, 3, 4, 5, 8, 10-12, 14, and 16-21 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claims contain subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The term "political exposure" is not defined in either the claims or the specifications and the algorithms are inadequately detailed to allow another person to duplicate the invention.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1, 3, 4-5, 8, 10-12, 14, and 16-21 are rejected as the claimed invention is directed to non-statutory subject matter.

Re: claims 1, 3, 5, 8, 10, 11 and 14: No form of technology is claimed. Thus the claimed subject matter is non-statutory. In re Toma, 197 USPQ 852 (CCPA 1978) Ex parte Bowman 61 USPQ2D 1669

Re claim 21: the claim is directed to risk management data which is non-functional descriptive material rather than computer executable code. Thus, the claim is non-statutory.

3. Claims 1, 3-5, 8, 10-12, 14, and 16-21 are rejected as the claimed invention lacks patentable utility. The invention claims to evaluate risk associated with accounts held by a "politically identified person". The description provides very little usable clear guidance as to how to objectively make this determination. Many subjective interpretive criteria are involved in coming up with the end result and it is not clear that the end result is predictive or actually useful. The algorithms are not given nor are the necessary questions identified to produce the desired end result.

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1, 3, 4-5, 8, 10-12, 14, and 16-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Taub (US 6,341,267 B1)(hereinafter Taub) in view of Horowitz et al (US6,349,290 B1 ( hereinafter Horowitz) and Lange (US 6,321,212 B1) (hereinafter Lange).

Taub discloses (see columns 1-30 but in particular columns 1-5) claims 1, 3, 4-5, 8, 10-12, 14, and 16-21 as regards the computerized evaluation and gathering of information of personal behavioral and experience factors (politically identified person) in any specific role or situation (financial transaction), and structuring that information into useful criteria regarding probable behavioral patterns in applications to various work related activities, which activities could include financial transactions and political

activities, including receiving information relating to political exposure relative to a financial transaction, structuring information according to risk quotient criteria, calculating a risk quotient using that information, suggesting an action responsive to the risk quotient including refusing to perform the transaction and notifying an authority, aggregating risk quotients relating to a financial institution, storing information and the risk quotient and the suggested action and generating reports, where the financial transaction is either opening or blocking a financial account, calculating an average risk quotient, and a computer server system accessible with a network access device and related connected software to receive information relating to political exposure of a person in a financial transaction. Taub does not teach risk issues per se and teaches only limited statistical analysis.

Horowitz discloses (see columns 1-48 but in particular columns 1-5) the computerized collection of personalized information (personal behavior (experience), financial aptitude, financial assets, and a combination of these factors) by a financial institution from a person with whom they are in a financial relationship.

Lange discloses (see pages 1-116 but in particular pages 1-14) a computerized method of statistically analyzing risk from financial transactions based on user data from the people involved in the financial transaction, using all the standard statistical and financial analysis methodology.

Given that the use and analysis of demographic/financial data and its application to the investigation of risk and detailed review of individuals/companies/cities/states/countries meeting certain criteria and business actions taken as a result of those analyses are old and well known, it would have been obvious to one skilled in the art at the time of the invention to apply those concepts of demographic evaluation and subsequent action and those of Taub to the evaluation of political risk exposure of a person involved in a financial transaction and action taken as a result of those analyses, and it would have been equally obvious to one skilled in the art at the time of the invention to have applied the concepts of Horowitz to the issue of political risk exposure of a person involved in a financial transaction and to have applied the concepts of Bell to the same issue.

6. Because it would have been common sense and advantageous and would have provided a more comprehensive and cost efficient method of analyzing financial risks relative to the political exposure involved it would have been obvious to one skilled in the art at the time of the of the invention to add the teachings of Horowitz and Lange to those of Taub, and and to add those of Taub to those of the others for the same reason.

**7. Response to Applicant's Arguments**

The PCT references and the IDSs are not relevant to this office action, as it cites new references, and this office action speaks for itself.

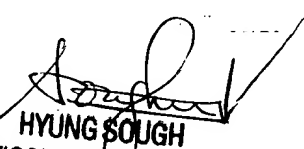
8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard Fults whose telephone number is 703-305-5416. The examiner can normally be reached on weekdays from 8:30 to 5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung Sough, can be reached on (703)-305-0505. The fax phone number for the organization where this application or proceeding is assigned is 703-305-3597.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

  
RCF

7/10/2003-

  
HYUNG SOUGH  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600